



ENERGY ASSURANCE DAILY

Friday Evening, January 27, 2017

Electricity

Update: Southern's 856 MW Hatch Nuclear Unit 1 in Georgia Ramps Up to 33 Percent by January 27

The unit shut from 38 percent on January 24.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

PG&E's 1,087 MW Diablo Canyon Nuclear Unit 2 in California Reduced to 55 Percent by January 27

On the morning of January 26 the unit was operating at 98 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

Petroleum

Update: Magellan Completes Repairs on Its 12-Inch Pipeline in Iowa January 27 after Diesel Leak January 25

Magellan Midstream Partners said it completed repairs to the damaged segment of a 12-inch refined products pipeline after discovering an estimated 3,300 barrel diesel leak on Wednesday near Hanlontown, Iowa about 125 miles north of Des Moines. Magellan did not specify when the pipeline would restart, but said its representatives were working with regulators on a plan to resume operations on the pipeline on Thursday. The affected pipeline normally transports refined products from a facility in Rosemount, Minnesota, to a facility in Mason City, Iowa. The line was shipping diesel fuel to the Mason City terminal at the time of the leak, according to a Magellan spokesman. The incident was not expected to disrupt the supply of petroleum products in the region, Magellan said in an emailed statement.

Reuters, 12:48 January 27, 2017

<http://www.desmoinesregister.com/story/news/2017/01/26/iowa-pipeline-spill-cleanup-begins-cause-leak-stillunknown/97084402/>

PES Shuts Alkylation Unit for Repairs at Its 335,000 b/d Philadelphia, Pennsylvania Refinery January 26

Philadelphia Energy Solutions (PES) reported that an alkylation unit in the Point Breeze section of its Philadelphia, Pennsylvania refinery was shut down for repairs after a restart attempt on January 26, according to a file with state pollution regulators made public on Friday.

Reuters, 15:31 January 27, 2017

Update: Valero's 335,000 b/d Port Arthur, Texas Refinery Restarts Hydrocracker, Increases CDU Production – Sources

Valero Energy Corp's Port Arthur, Texas, refinery completed the restart of the small hydrocracking unit (HCU) and was increasing production on the large crude distillation unit (CDU), said sources familiar with plant operations on Friday. The 45,000 b/d hydrocracker has returned to production on Friday morning after being shut due to a compressor malfunction on Thursday, the sources said. Production from the 268,000 b/d CDU was also ramping up after it was cut back to 120,000 b/d for repairs following a fire on Tuesday. The CDU was operating at 175,000 b/d on Friday morning after repairs were complete on Thursday, the sources said.

Reuters, 11:57 January 27, 2017

Reuters, 9:21 January 27, 2017

Faulty Pipe Identified as Source of New Haven Terminal Fuel Oil Leak in Connecticut January 27 – DEEP

An official with the Connecticut Department of Energy and Environmental Protection (DEEP) on Thursday said a leak of about 2,000 gallons of No. 2 fuel oil from New Haven Terminal Inc.'s 2.5 million barrel marine terminal facility was due to a faulty pipeline at the terminal. Fuel oil was first discovered leaking into New Haven harbor through a storm drain on January 18. Crews are working to seal the faulty pipe, and will continue to make repairs over the next few weeks to prevent future releases. The affected pipeline is more than 50 years old and responsible for at least 2 leaks prior to this incident, according to DEEP. Approximately 1,800 gallons had been recovered by the end of Friday.

<http://wtnh.com/2017/01/27/cause-of-fuel-spill-in-new-haven-harbor-released/>

<http://www.nhregister.com/general-news/20170125/connecticut-agency-monitoring-petroleum-leak-at-new-haven-harbor>

<http://www.nhterminal.com/about/>

Update: Hole Confirmed as Source of Tundra's Crude Oil Pipeline Leak in Saskatchewan

A small hole on a weld between two segments of a shallow 4-inch Tundra Energy Marketing Ltd pipeline caused the leak of about 200,000 liters (52,834 gallons) of crude oil at aboriginal land in Saskatchewan on January 20, provincial officials said on Thursday. The 1.2 mile stretch of affected Tundra pipeline, which feeds into the larger South East Saskatchewan oil gathering system, was exempt from licensing when built in 1968. The line was retroactively licensed by then-owner Enbridge Income Fund Holdings in 2014, the provincial government said, adding that it does not have any record of formal inspection of the line since that time. Some 180,000 liters of oil have been recovered, along with more than 450 tonnes of contaminated soil, the government said. The damaged portion of the pipeline was expected to be removed late on January 26 and sent for further analysis and metallurgic testing. Provincial officials will investigate the cause of the leak, including why it was not detected by the operator and whether the age of the pipeline contributed to the failure.

<http://www.teml.com/files/4114/8538/2313/TEML-Press-Release-January-25-2017.pdf>

Reuters, 17:31 January 26, 2017

Anadarko Oil Well Spills 667 Barrels in Colorado January 20

Officials said an Anadarko Petroleum Corp oil well that blew out near Hudson, Colorado on January 20 sprayed at least 667 barrels of oil, gas, and drilling waste water onto surrounding land. A crew was in the process of producing from the well when they lost control of flow for about 2 hours. An Anadarko spokeswoman on Wednesday said a valve was put in place on Saturday allowing crews to contain the well's flow into production tanks at the site. Colorado Oil and Gas Conservation Commission staffers were on site working to evaluate any environmental impacts.

<http://www.denverpost.com/2017/01/25/anadarko-well-spill-flow-redirected/>

<http://www.wral.com/oil-well-spills-28-000-gallons-in-colorado/16474920/>

TransCanada Submits New Application for Its 830,000 b/d Keystone XL Pipeline January 26

TransCanada Corp. said Thursday it submitted a new presidential permit application to the U.S. Department of State for approval of its Keystone XL pipeline. The announcement came two days after U.S. President Donald Trump signed an order allowing the company to reapply after the first permit was rejected in 2015 by then-President Barack Obama on environmental concerns. The U.S. State Department will review the application and has 60 days to issue a decision, according to published reports earlier this week. The proposed 1,180-mile pipeline would run from Hardisty, Alberta, to Steele City, Nebraska, where it would tie into other pipelines carrying crude to U.S. Gulf Coast refineries.

<http://www.transcanada.com/announcements-article.html?id=2119567&t>

<http://www.reuters.com/article/us-canada-pipeline-transcanada-idUSKBN15A33C>

<http://www.cbc.ca/news/business/transcanada-keystone-application-1.3954126>

NEB Approves Enbridge's 74,000 b/d Line 10 Westover Segment Replacement Project in Ontario January 26

The National Energy Board (NEB) on Thursday approved Enbridge's Line 10 Westover Segment Replacement Project in southern Ontario with a stipulation that 46 conditions are met, including emergency management and environmental protection. Enbridge's Line 10 application proposes to replace approximately 20 miles of existing 12-inch pipe with approximately 22 miles of new 20-inch pipe in southern Ontario, which will connect Enbridge's Westover Terminal to its Nanticoke Junction Facility in the City of Hamilton.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=1182529&crtr.tp1D=1>

Reuters, 18:02 January 26, 2017

http://www.enbridge.com/~media/www/Site%20Documents/Delivering%20Energy/LiquidsPipelines/Pipeline%20Configuration%20Map_%20Q1%202014.pdf

NEB to Restart Review of TransCanada's 1.1 Million b/d Energy East Pipeline January 27

The National Energy Board on Friday scrapped a partially completed hearing into TransCanada Corp.'s proposed Energy East pipeline and said the process would start again from the beginning. The NEB said in a statement that the new panel examining the project would decide the next steps for the review process. The previous panel stepped down last year after it was revealed that members had met privately with a TransCanada consultant. The 1.1 million b/d, 2,796-mile Energy East project would transport crude oil from Alberta and Saskatchewan to refineries in Eastern Canada and a marine terminal in New Brunswick.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=1182779&crtr.tp1D=1>

Reuters, 9:21 January 27, 2017

Natural Gas

Update: SoCalGas Lifts Natural Gas Use Advisory, Non-Core Curtailment Watch January 26

Southern California Gas Co. (SoCalGas) on Thursday lifted an advisory issued on Monday morning which urged all customers to reduce natural gas use in response to increased demand due to cold weather. The company said it has also ended the system-wide curtailment watch for non-core customers, which includes large commercial and industrial customers such as electric generation plants and petroleum refineries. On January 24 and 25, cold weather conditions led to hourly customer demand on SoCalGas' system that significantly exceeded gas supplies being delivered through interstate pipelines and the company's other storage facilities. SoCalGas said natural gas withdrawals from Aliso Canyon helped meet those peak hourly demands and avoid service interruption to large customers, including electric generators, refineries, and other critical service providers such as hospitals, airports, and manufacturers. Withdrawals from Aliso Canyon were made in accordance with the Aliso Canyon Winter Withdrawal Protocol established by the California Public Utilities Commission (CPUC).

<http://sempra.mediaroom.com/index.php?s=19080&item=137243>

<http://finance.yahoo.com/news/socalgas-advisory-lifted-225000713.html>

Update: Destin Lifts Force Majeure for Offshore Transportation Services January 27

Destin Pipeline on Friday lifted the force majeure declaration for its offshore transportation system, which had been slowly ramping up after Enterprise Products Partner's 1.5 Bcf/d Pascagoula Processing Plant (PGP) in Pascagoula, Mississippi restarted operations on December 17. Destin declared force majeure on June 27, 2016 after two explosions shut the PGP indefinitely. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore producers to the Pascagoula plant, and then further north to interconnections with six major interstate gas transmission lines.

<https://bp.trellisenergy.com/ptms/home.do>

Reuters, 6:01 January 27, 2017

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices January 27, 2017			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	53.13	51.34	32.27
NATURAL GAS Henry Hub \$/Million Btu	3.42	3.25	2.23

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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